

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-103
Permit 131929

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-005-64144
1. Type of Well: G		5. Indicate Type of Lease P
2. Name of Operator KEYSTONE PETROLEUM NM LLC		6. State Oil & Gas Lease No.
3. Address of Operator 222 W. Las Colinas Blvd, Ste 1570 E, Irving, TX 75039		7. Lease Name or Unit Agreement Name WEST NEWMILL 15 STATE COM
4. Well Location Unit Letter <u>N</u> : <u>760</u> feet from the <u>S</u> line and <u>1980</u> feet from the <u>W</u> line Section <u>15</u> Township <u>04S</u> Range <u>26E</u> NMPM <u>Chaves</u> County		8. Well Number 001H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3824 GR.		9. OGRID Number 269168
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
 CASING/CEMENT JOB ☐
 Other: **Drilling/Cement** ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud well on 04/26/11. Drilled 17-1/2" hole to 260'. Ran 5 joints of 13-3/8", 54.5 J-55 casing on 04/29/11. Talked to Darrel Gray with NM OCD and he said it was OK to run surface. On 4/30/11 cemented with 210 SXS Class H w/8% A-10, 12# LCM1, 1% CC, 1/4# CF, mixed @ 14.5 PPG 1.49 CF. Followed with 300 SXS Class C w/1% CC, mixed 14.8 PPG, 1.35 CF. WOC 6 hours. On 05/06/11 drilled 12-1/4" hole to 2006'. Ran 49 joints of 9-5/8" J-55, 36# STC Casing. Cemented w/100# GW-7 GEL w/10 BBL FW, 450 SXS 35:65 POZ, Class C w/5# LCM1 6% GEL followed w/200 SXS Class C, 1% CC. Lead cement mixed @ 12.4 PPG, 24/26/2011 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
04/29/11	Surf		17.875	13.375	54.5		40	280	510						Y
05/06/11	Int1		12.25	9.625	38		260	2006	650						

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed

TITLE

DATE 5/17/2011

Type or print name Betty Epie

E-mail address bep@keystonepet.com

Telephone No. 972-444-9549

For State Use Only:

APPROVED BY: Randy Dade

TITLE District Supervisor

DATE 5/25/2011 11:44:13 AM

Drilling Comments

OGRID: [269168] KEYSTONE PETROLEUM NM LLC

Permit Number: 131929

Permit Type: Drilling

Created By	Comment	Comment Date
Artesia	failed to report top of cement. Did it circulate. If not where is TOC.	5/17/2011